



House of Representatives

General Assembly

File No. 228

February Session, 2002

Substitute House Bill No. 5566

House of Representatives, March 28, 2002

The Committee on Insurance and Real Estate reported through REP. OREFICE of the 37th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING HEALTH INSURANCE COVERAGE FOR AMBULANCE SERVICES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 38a-498 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2002*):

3 (a) [Every] Each individual health insurance policy providing
4 coverage of the type specified in subdivisions (1), (2), (4), (6), (10), (11)
5 and (12) of section 38a-469 delivered, issued for delivery, [or] renewed
6 [in this state,] or amended [to substantially alter or change benefits or
7 coverages, on or after March 1, 1984,] in this state on or after October 1,
8 2002, shall provide coverage for [medically necessary] emergency
9 ambulance services for persons covered by the policy. The hospital
10 policy shall be primary if a person is covered under more than one
11 policy. The policy shall, as a minimum requirement, cover such
12 services whenever any person covered by the contract is transported
13 when medically necessary by ambulance to a hospital. Such benefits

14 shall be subject to any policy provision which applies to other services
15 covered by such policies. Notwithstanding any other provision of this
16 section, such policies shall not be required to provide benefits in excess
17 of [five hundred dollars for any one medically necessary ambulance
18 service] the maximum allowable rate established by the Department of
19 Public Health in accordance with section 19a-177, as amended.

20 (b) (1) Each such individual health insurance policy shall provide
21 that any payment by such company, corporation or center for
22 emergency ambulance services under coverage required by this section
23 shall be paid directly to the ambulance provider rendering such service
24 if such provider has complied with the provisions of this subsection
25 and has not received payment for such service from any other source.

26 ~~[(b) (1)]~~ (2) Any ambulance provider submitting a bill for direct
27 payment pursuant to this section shall stamp the following statement
28 on the face of each bill: "NOTICE: This bill subject to mandatory
29 assignment pursuant to Connecticut general statutes".

30 ~~[(2)]~~ (3) This subsection shall not apply to any transaction between
31 an ambulance provider and an insurance company, ~~[or]~~ hospital or
32 medical service corporation, health care center or other entity if the
33 parties have entered into a contract providing for direct payment.

34 Sec. 2. Section 38a-525 of the general statutes is repealed and the
35 following is substituted in lieu thereof (*Effective October 1, 2002*):

36 (a) Each group health insurance policy providing coverage of the
37 type specified in subdivisions (1), (2), (4), (6), (11) and (12) of section
38 38a-469 delivered, issued for delivery, ~~[or]~~ renewed [in this state,] or
39 amended [to substantially alter or change benefits or coverages, on or
40 after March 1, 1984, by any insurance company, hospital or medical
41 service corporation or health care center] in this state on or after
42 October 1, 2002, shall provide coverage for emergency ambulance
43 services for persons covered by the policy. The hospital policy shall be
44 primary if a person is covered under more than one policy. The policy
45 shall, as a minimum requirement, cover such services whenever any

46 person covered by the contract is transported when medically
 47 necessary by ambulance to a hospital. [and is admitted to such hospital
 48 as an inpatient.] Such benefits shall be subject to any policy provision
 49 which applies to other services covered by such policies.
 50 Notwithstanding any other provision of this section, such policies shall
 51 not be required to provide benefits in excess of [five hundred dollars
 52 for any one emergency ambulance service] the maximum allowable
 53 rate established by the Department of Public Health in accordance
 54 with section 19a-177, as amended.

55 (b) (1) Each such group health insurance policy [delivered, issued
 56 for delivery or renewed in this state, or amended to substantially alter
 57 or change benefits or coverages, on or after October 1, 1984, by any
 58 insurance company, hospital or medical service corporation or health
 59 care center] shall provide that any payment by such company,
 60 corporation or center for emergency ambulance services under
 61 coverage required by this section shall be paid directly to the
 62 ambulance provider rendering such service if such provider has
 63 complied with the provisions of this subsection and has not received
 64 payment for such service from any other source.

65 (2) Any ambulance provider submitting a bill for direct payment
 66 pursuant to this section shall stamp the following statement on the face
 67 of each bill: "NOTICE: This bill subject to mandatory assignment
 68 pursuant to Connecticut general statutes".

69 (3) This subsection shall not apply to any transaction between an
 70 ambulance provider and an insurance company, [or] hospital or
 71 medical service corporation, health care center or other entity if the
 72 parties have entered into a contract providing for direct payment.

This act shall take effect as follows:	
Section 1	<i>October 1, 2002</i>
Sec. 2	<i>October 1, 2002</i>

INS *Joint Favorable Subst.*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact: None

Municipal Impact:

Effect	Municipalities	Current FY \$	FY 03 \$	FY 04 \$
Cost	Various Municipalities	Potential	Potential	Potential

Explanation

To the extent that some municipalities do not contain the health coverage specified in the bill, there could be additional costs for municipal health plans.

OLR Bill Analysis

sHB 5566

**AN ACT CONCERNING HEALTH INSURANCE COVERAGE FOR
AMBULANCE SERVICES****SUMMARY:**

This bill eliminates the \$500 maximum emergency ambulance service benefit in certain individual and group health insurance policies and substitutes instead the maximum allowable rate established by the Department of Public Health.

The bill requires individual policies that cover ambulance services to pay directly, by way of assignment, ambulance service providers, if the service has (1) complied with the bill and (2) not been paid from another source. It also adds health care centers and other entities to the list of providers that are exempt from the individual and group policy's direct payment through assignment requirement, if the center or other entity has a direct pay contract with the ambulance service. Under current law, transactions between ambulance service providers and insurers, and hospital or medical service corporations are eligible for the exemption.

Finally, in order to trigger coverage, the bill requires that certain group policies cover ambulance services when medically necessary. Current law requires a hospital admission on an inpatient basis.

EFFECTIVE DATE: October 1, 2002

INDIVIDUAL AND GROUP HEALTH INSURANCE POLICIES

The bill applies to individual and group policies that pay (1) basic hospital expenses, (2) basic medical-surgical expenses, (3) major medical expenses, (4) accident only expenses, (5) hospital or medical expenses, and (6) hospital and medical expenses covered by HMO.

The bill also requires individual limited benefit policies to cover emergency ambulance service.

COMMITTEE ACTION

Insurance and Real Estate Committee

Joint Favorable Substitute

Yea 18 Nay 0